

**Congress of the United States**  
**Washington, DC 20515**

June 26, 2018

The Honorable Jerome Powell  
Chairman

Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, D.C. 20551

The Honorable Jelena McWilliams  
Chairman

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, D.C. 20429

Dear Chairman Powell and Chairman McWilliams,

We write to express our support for the ability of insured depository institutions to re-enter the short-term, small-dollar consumer lending marketplace. As you know, on May 23, the Office of the Comptroller of the Currency issued a bulletin encouraging banks to re-enter this space. We strongly support these actions, and we respectfully urge your agencies to follow suit.

The previous administration's decision to significantly limit financial institutions from making short-term, small-dollar consumer loans has reduced consumer choice and hindered competition in the marketplace. We believe that financial regulatory policy should allow depository institutions to meet the demand for these loans, and that additional supply and competition lead to a healthier, more vibrant economy. When these products are well regulated and comply with safety and soundness and consumer protection standards, we believe they can be a valuable option for our constituents.

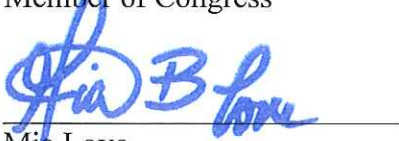
According to the Federal Reserve Bank of New York, consumer debt, not including mortgages, increased by 5.5% in 2017 to a total of \$3.82 trillion— the highest since this data was first tracked in 1999. Additionally, according to the Federal Reserve's 2017 Survey of Household Economics and Decisionmaking (SHED), four in ten U.S. adults would not be able to cover an emergency of \$400 without selling property or borrowing, and more than one-fifth of U.S. adults are unable to pay all of their current monthly bills in full. Clearly, there is robust demand and need for consumer credit in our economy. With banks being able to re-enter this space, more consumers will be able to come into the mainstream of financial services where they may benefit from bank-consumer financial education programs and credit reporting. We trust that your agencies will ensure that financial institutions comply with all applicable laws and regulations governing these loans, and will coordinate the implementation of these actions among the financial regulatory agencies to ensure that these rules are enforced consistently.

We look forward to continuing to work with you on these important issues.

Sincerely,



Barry Loudermilk  
Member of Congress



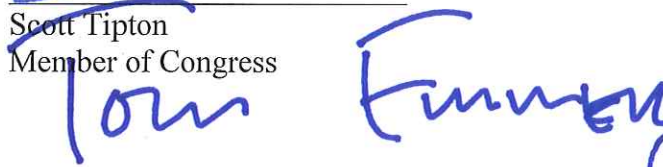
Mia Love  
Member of Congress



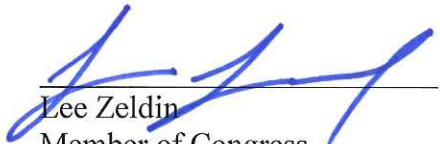
Ted Budd  
Member of Congress



Scott Tipton  
Member of Congress



Tom Emmer  
Member of Congress



Lee Zeldin  
Member of Congress



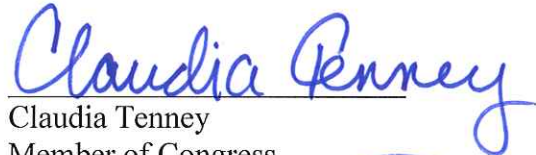
Randy Hultgren  
Member of Congress



Luke Messer  
Member of Congress



Alex Mooney  
Member of Congress



Claudia Tenney  
Member of Congress



Dennis A. Ross  
Member of Congress



Dave Trott  
Member of Congress

Cc: The Honorable Joseph Otting, Comptroller of the Currency